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POVERTY-LINES VERSUS THE POOR: METHOD VERSUS MEANING

Ashwani Saith

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1 INTRODUCTION[1]

Poverty, and its handmaiden, inequality, in their myriad incarnations, are everywhere for all those with eyes to see: every landlord's house in each village, every five-star hotel is surrounded by them, every posh colony has its attached anti-thesis outside its gates, where the other half strives to survive. You encounter them on your morning walk, when they are up and about their work well before you arise; they greet you again on the pavements after a late night, when they are still going about their chores well after you turn in. You have a brush with them at city traffic lights, on public transport buses, if ever your air-conditioned car breaks down. It seems the sun never sets on them and their world of work.

Post 9/11, and I am not referring here to the earlier fateful 9/11 of 1973 on which day the elected socialist government of Salvador Allende was brought down in Chile, a certain urgency seems to have been imparted, at least in words, to developing a global compact on poverty.

There are many reasons why human beings laugh, not all of them expressing wholesome emotions. So also with the desire to remove poverty. Joan Robinson once remarked: "Beggars provide the service of allowing their fellow citizens to feel charitable".[2] But the motivation is not always rooted in altruism and even more rarely perhaps in solidarity. Indeed, anti-poverty is often a polite euphemism for anti-poor. It is the unpalatability of having to co-exist and share habitats with the poor that is the problem that lies behind a good deal of *garibi hatao* sentiments; but this can easily mutate into *garibon ko hatao*, as reflected in the periodic drives to resettle urban slum dwellers to out-of-city out-of-sight sites.[3]

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[1] This paper has been extracted from the Sixth Joan Robinson Memorial Lecture, "Poverty and Anti-Poverty: Troublesome Tendencies and Quarrelsome Questions", delivered on April 12, 2005 at the Centre of Development Studies, Thiruvananthapuram, Kerala. A second article, also based on the lecture, and which focuses on anti-poverty interventions, will appear later in *Economic and Political Weekly*. Following the lecture, I have received helpful comments from Vani Borooah, Raghav Gaiha, Ajit Ghose, Keith Griffin, Roy Huijsmans, Massoud Karshenas, K.P.Kannan, Bridget O'Laughlin, C. Rammanohar Reddy, Ajit Singh, Guy Standing, Servaas Storm, Ajay Tankha and Rekha Wazir; I thank them all without implicating them in the outcome.

[2] Robinson, Joan *Aspects of Development and Underdevelopment*, Cambridge University Press, Cambridge, 1979; p.6.

[3] *Garibi Hatao* translates from Hindi or Urdu as "*Remove poverty*"; *Garibon ko Hatao*, as "*Remove the Poor*". The former was a slogan introduced by Indira Gandhi during her tenure as the Indian Prime Minister.

Of late, two fresh sentiments have revived and taken centre stage in the brave new global fight against poverty: profits, and fear. Even global corporations and financial institutions have begun to toy with the idea of the ocean of the poor as the unconquered frontier that holds the promise of a vast market for the future. Perhaps they have been reading Rosa Luxembourg in their spare time.[4] Today's poverty could be tomorrow's potential profits.[5] The other potent driver of urgency in anti-poverty is fear. Democratic governments have everywhere come to follow the Kaleckian model of the political business cycle where well-publicised, well-timed, but short-lived, anti-poverty drives are central elements of electoral strategies. Globally, the more recent 9/11, and this time I do mean that single indefensible act of terrorism in the USA, has induced some presidential theorising where poverty is held to be the root of terrorism. Hence, anti-terrorism equals anti-poverty. I do not know if such assertions would pass muster as a graduate term essay, but at least it helps us to comprehend the recent reincarnation in Washington of an anti-terror war activist as an anti-poverty development chief: we now have a Wolfovitz in lamb's clothing.

But it is not enough to say it is all around us; we as academics and policy makers, have an almost existential need to know precisely how much of "it" there is, and who "they" are, and what impact anti-poverty interventions might have had on "them". Here there is a clash of disciplinary cultures, with economists who tend to dominate with their ostensibly more usable forms of knowledge – a self-made and self-verified claim. And this opens the door to much sophistication and sophistry as specialists set about reducing poverty and the poor to their uni-scalar, quantifiable core, viz., those below the so-called poverty line reckoned in money-metric terms. In this, they acknowledge, but then immediately also ignore and exclude, the essential multi-dimensionality and the relational nature of the lived experiences of deprivation.

[4] The reference is to her underconsumptionist proposition that the exploitation of workers would squeeze their consumption, thus curtailing the domestic market, and thereby creating the basis for a crisis of realisation in the capitalist economy.

[5] A good example of this is Prahalad, C.K., *The Fortune at the Bottom of the Pyramid*, Upper Sadddle River, NJ: Wharton School Publishing; 2005. The author states: "the purpose of this book is … to illustrate that the typical pictures of poverty mask the fact that the very poor represent resilient entrepreneurs and value-conscious consumers. What is needed is … an approach that involves partnering with them to innovate and achieve sustainable win-win scenarios where the poor are actively engaged and, at the same time, the companies providing products and services to them are profitable." Examples of such attempts are not difficult to find, for instance, in the field of micro-finance and related services.

Concepts should clarify and crystallise the nature of a phenomenon; methodologies should provide precision in the identification and quantification of their empirical analogues; do they do so in contemporary poverty studies? In this paper I want to draw attention to some forms of conceptual exclusion that lie at the heart of some mainstream characterisations of poverty. The discussion limits itself to revisiting the poverty-line approach. The general point being argued is that this dominant methodology renders a good deal of poverty invisible, distorts the understanding of poverty, and thereby does disservice to the cause of poverty reduction. Drawing my inspiration from Joan Robinson, I will raise some awkward questions, as she was so wont to do. The first section of this paper explores some foundational problems concerning the specification of food and non-food needs in the poverty-line methodology; section 2 then looks for meaning in the notion of chronic poverty; section 3 provides a brief commentary on some other weaknesses of the poverty-line approach to understanding the nature, or to the identification and aggregation of poverty; finally, section 4 asks if there is an honourable escape route for the poverty line approach and concludes that there is no ready redemption for this problematic concept and attendant methodology.

I will resist extending the frame to review the alternative composite human and social indicators methodology used by UNDP. One could also stretch the canvas further to critically scrutinise the diverse conceptual and operational meanings at present attached to the notion of social exclusion, whether within the European, American, or developing economy contexts. Nor will comment be made on other approaches, e.g., those of decent work promulgated by the ILO; or those relying on more subjective methods exploring the self-perceptions of the poor, whether as in the original emancipatory, structural and critical approach *a la* Paulo Freire, or in its instrumental, developmental mutation as in the Chambers school; or on the recent arrival of happiness studies as in the recent work of Richard Layard. All that must be held in abeyance for another occasion. Here, the spotlight is on the emperor of the techniques of poverty identification and aggregation, the poverty-line and its packaged methodology. Does the emperor have any clothes?

2 POVERTY LINES, LIVES, LIES

Poverty thresholds and lines have a long history extending back into and beyond the Poor Laws in England, with the modern debate initiated in the 1950s in the context of Indian planning; there is virtually a library of reflective and policy analysis, as well as operational tool-kits and manuals, on them.[6] Yet, I wish to argue that the methodology is deeply flawed and damaging for the analysis of poverty and the design of anti-poverty policy interventions.

I would briefly like to make a distinction between six approaches to the definition of what constitutes the bare necessities of life. Though each seeks to specify a meaning for a common notion, they differ in terms of their epistemological underpinnings, methodological implications, and underlying motivations of those that use them, and thereby in terms of the implicit outcomes for the poor. To different degrees, one or more of these approaches is embodied in the extensive discourse on the recognition of poverty or the identification of the poor, and this applies both to the distinct methods used for the specification of food, as against non-food needs.

In the *first* approach, the various elements of the basic needs basket are specified ostensibly on scientific grounds, determined by the levels of intake or consumption necessary for the basic survival of the human being. This biological approach leads usually to an excessively narrow and lean definition. This is particularly so in the case of the sub-approach that is premised on the possibility of significant homeostatic adaptation by human beings to unusually low levels of nutrition for extended periods of time. A *second* approach would use a norm or specification of basic needs that reflects, or arises from a community or societal view of what constitutes the socially acceptable minimum levels of living and associated ways of being. This is a commonly held view. To what extent the poor themselves contribute to the formation of such a view remains an open question. Often, these

[6] Dadabhai Naoroji's classic paper "The Poverty of India", read before the Bombay branch of the East India Association of London in 1876, apart from being a path-breaking attack on "un-British" colonial rule in India, was pioneering in several ways. It included a first attempt at estimating the incidence of poverty in India on the basis of a carefully constructed poverty line. In defining the basket of necessary consumption, he defines it as "what is necessary for the bare wants of a human being, to keep him in ordinary good health and decency" (23); he includes "not the slightest luxury – no sugar or tea, or any little enjoyment of life, but simple animal subsistence". In this he relies on, but is even more strict than, the diet recommended in 1870 by S.B.Partridge, Government Medical Inspector of Emigrants for "the necessary ingredients of nourishment for the emigrant coolies during their voyage, living in a state of quietude" (23). The good Surgeon recommends that, for confirmed opium-eaters or *ganja*-smokers, "a proper quantity be supplied".

could be the views of the upper classes handing out social prescriptions for the poor, all in the name of a fictional community. However, this need not always be the case, as might be supported by reference to the underlying egalitarian norms of Scandinavian societies, or in some pastoral systems. The classical thinkers, from Adam Smith to Karl Marx used some version of such a notion in specifying the floor levels for real wages, which were held to reflect historically specific socially acceptable minimum levels of consumption.[7] This approach immediately introduces a relative dimension, across societies and over time, to the specification of absolute minimum levels.[8] A *third* approach could be called inductive empiricist, where the level is derived from observed consumer behaviour. Such a positivist approach underlies Kalecki's definition of necessities as being commodities with a low price elasticity of demand, and an income elasticity of demand near unity, falling rapidly with increases in income from low levels. A *fourth* approach would rely on the subjects themselves to define the notion of poverty through their lived experience. Here, the division between the poor and the non-poor is based on the self-perceptions of the population concerned. A *fifth* approach could be labelled the politico-administrative definition, where the poverty line is specified with one eye on political implications, and another on the budgetary ones; a practice which usually leads to a squint and to cock-eyed vision if practised for any length of time. If the biological approach could be called lean, this political one could qualify for being labelled mean. Finally, there is a *sixth*, somewhat mindless approach, which simply sets an approximate universal level for the poverty line, as in the $1/day case, in order to numerically monitor the number of persons that fall below it in different countries and over time. While this allows superficial comparisons, it is at the expense of not really knowing precisely what it is that is being compared.[9]

Measuring the incidence of poverty using income, or food poverty lines has two kinds of weaknesses. The first type stems from the many detailed methodological

[7] For an insightful discussion of Adam Smith's progressive and humanist stance on issues of poverty and socio-economic security for the working classes, see Rothschild, Emma "The Debate on Economic and Social Security at the End of the Eighteenth Century: Lessons of a Road Not Taken", *Development and Change*, Vol. 27, No. 2; April, 1996.

[8] This relative dimension is emphasized by Peter Townsend in the context of poverty in Britain, in particular with reference to longitudinal comparisons.

[9] Many critiques have been made of this approach on the specific issue of international comparability, highlighting the oddities and inconsistencies of purchasing power parity (PPP) conversions of GNP statistics, and their (mis-)use in making international comparisons focusing on the category of the poor.

assumptions or choices that have to be made in the estimation procedure, e.g., about the composition of the food basket; adult equivalence scales; inter-sectoral and inter-regional variations in diet and prices; income distribution data to be used in the estimation process, etc. The robustness of any poverty estimation using the poverty-line approach therefore needs to be checked for its sensitivity to variations in these choices and assumptions. These difficulties are real but they could not be said in themselves to overturn the approach altogether.

However, the second set of problems raises doubts about the meaningfulness of the poverty line. These criticisms go beyond practical objections and suggest that the approach fatally distorts the very meaning of poverty by its excessively reductionist nature. While the "methods" critique has been widely discussed in the literature, the "meanings" critique remains under-emphasized. In view of the global reliance on the income poverty line approach, it is useful to highlight some objections of the second type. This underscores the need to adopt a broader notion of human deprivation in place of the narrow focus on income or food-poverty lines; above all, it argues that such poverty lines cannot be meaningfully used as proxies for vulnerability and socio-economic insecurity.

2.1 Food and nutrition: adequacy by assumption?

Energy expenditure

The standard assumption when constructing poverty lines pegs caloric requirements to the basal metabolic rate, which broadly corresponds to a passive physical state without any undue expenditure of energy in work. Methods, sources of relevant information, and assumptions, vary.[10] The norms used for poverty in India are 2100 kcals for the urban, and 2400 kcals for the rural populations and are expected to include some allowance for normal work. Is this enough?

There are two sharply diverging positions on this. The first would argue that such a line does not adequately take account of the energy needs of the kind of hard and extended labour that has to be performed by a significant section of the

[10] One source of information on which poverty lines were constructed were jail diets which were calibrated by nutritionists using various energy-output assumptions on the standard of maintaining an appropriate body weight for prisoners, rather like the slave owners of the cotton farms in the American South. When transferring such jail diets for use in the general population, an approximate downward adjustment was made to take account of the different demographic distribution, since all those in jails are adults.

population, predominantly by the poor. For instance, a representative male subsistence farmer engaged in moderate activity (involving 7 hours of farm work) is estimated to require 2780 kcals per day; a representative woman farmer (assumed to work in the fields for 4 hours and perform housework for another 3 hours) is held to require 2235 kcals per day (WHO 1985, cited in Dasgupta 1993: 422-423). "Admittedly, neither individual is engaged in heavy manual work, which is what is involved when a person cuts earth, or fells trees, or saws wood, or cuts sugarcane, or pedals a rickshaw, or pick in a mine, or loads sacks, or digs holes at a construction site, or ploughs a field. Daily energy requirements for a male engaged in such work in the tropics are in the order of 3550 kcals" (Dasgupta 1993: 423).[11]

Typically, this kind of work is done by the poorer sections of the rural and urban workforce, and so this bias will mostly hide the depth of poverty of the poorer sections; indeed some might well be mis-classified and be placed above, rather than below the line. It is also implied that paying poverty-line wages for such labour activities effectively does not compensate for the energy expended in them. Indeed, many targeted poverty reduction employment generation schemes would fail such a test.[12]

Analogously, in the context of structural adjustment, Chakravarty has argued that the increasing reliance on informal and casual labour implies a process of effort intensification in job search, maintenance and survival.[13] Such workers therefore require, but do not necessarily receive, an increased energy intake. This nutrition-effort gap then generates biological stress signals, an ultimate form of which is high

[11] Dasgupta, P. *An Enquiry into Well-being and Destitution*, Oxford University Press, Oxford, 1993. For US females and males aged 19-24 years, the recommended energy intakes are 2,600 and 3,600 calories respectively, if engaged in heavy labour activities such as digging, tree-felling, carrying loads uphill, etc. The corresponding figures for the age group 25-50 are 4000 calories per day for males and 3200 calories for females. Cf: http://www.fda.gov/fdac/graphics/foodlabelspecial/pg44.pdf; accessed on August 16, 2005.

[12] Much earlier, Gerry Rodgers reported the very same discrepancy in the energy input and energy output equation in the context of rural public works in Bihar, where the daily expenditure of energy for a full day's manual work on a rural works scheme was significantly higher than what was defined in the poverty line as a daily nutritional norm. (Rodgers, G.B. "Effects of Public Works on Rural Poverty", *Economic and Political Weekly*, Vol. VIII, Nos. 4-6, February 1973.) This issue is taken up later in the paper in the context of a commentary on rural public works.

[13] Chakravatry, L. (2001), 'Biological Stress Signals in the Context of Poverty Studies: India 1970-95', in S. Storm & C.W.M. Naastepad (eds) Globalization *and Economic Development: Essays in Honour of J. George Waardenburg*, Edward Elgar, Cheltenham, 2001; pp 324-357.

mortality rates amongst those affected.[14] Likewise, structural processes of widening labour search involving short term migratory circuits with extending contours have also been reported for rural India.[15]

Ranged on the other side is the view typified by Sukhatme, who argues that human bodies can adapt to extended bouts of low nutrition while maintaining normal energy output.[16, 17] One troublesome worry about the Sukhatme approach is this. Can one assume that this homeostasis assumption applies to whole grouped populations at a time? This is suggested by his comment on the apparent low caloric value of the diet, and observed high energy output, of the "average" woman in Kerala.[18] Are there not variations across different types of population groups within Kerala? And then, is there not a variation between individuals even within groups? How would the poverty planner do his or her targeting of food baskets, or stamps, or income? Would each individual or each type of group, in the state (and so also the country) be put through extensive energy input-output trials to establish their respective tolerance limits? And in such a process, how would you know when such a limit had been reached, or might

[14] In his critique of GNP as a reflector of development, Morris D. Morris pointed out that higher mortality rates anomalously lead to higher per capita income outcomes. For discussions of analogous effects with respect to the effect of higher mortality amongst the poor on indices measuring poverty, see Kanbur, R. and D. Mukherjee, "Premature Mortality and Poverty Measures", http://www.undp-povertycentre,org/publications/poverty/Mortality_PovertyMeas-ISER-March03.pdf

[15] See for instance the work of Jan Breman on "footloose labour" and migrant workers in Gujarat. For a longitudinal analysis at village level, see Saith, A. and A. Tankha "Longitudinal Analysis of Structural Change in a North Indian Village, 1970-1987", in Breman, J., P. Kloos and A. Saith (eds.) The Village in Asia Revisited, Delhi: Oxford University Press, 1997.

[16] Sukhatme, P.V. "Energy Intake and Nutrition: On the Auto-regulatory Homostatic Nature of the Energy Requirement", in Srinivasan, T.N. & P.K. Bardhan (eds.) *Rural Poverty in South Asia*, Oxford University Press, Delhi.

[17] There is a considerable body of specialist studies investigating the capacity of the human body to adapt to prolonged periods of low energy intake under various contexts, including experimental conditions. The linkage to the incidence of illness and disease has also been extensively analysed. An ethical issue arises when such medical information is used by poverty planners to legitimize the specification of low poverty lines.

[18] "A healthy woman there has a level of intake of only about 1300 to 1400 calories a day, which is much less than the prescribed allowance, and yet she has a level of health and activity on a par with a northern woman eating much more. Kerala thus provides an illustration of how food is used with greater efficiency at the lower end of the homeostatic range." (Sukhatme, quoted in B. Gopalakrishnan Kumar "Quality of Life and Nutritional Status: A Reconsideration of Some Puzzles from Kerala, in Bardhan, Pranab, M. Datta-Chaudhuri & T.N.Krishnan (eds). 1993/2000, Development and Change: Essays in Honour of K.N.Raj, Oxford University Press, Delhi; p.326. Radhakrishna argues that this should not be read as evidence that Kerala's women have an adequate diet; the apparent contradiction could be due to Kerala's superior status in terms of education, health, access to safe drinking water, better environmental sanitation and personal hygiene, all of which could make women in Kerala less vulnerable to infection and disease, thus wasting very little of their meagre calorie intake. Radhakrishna, R. (2005), 'Food and Nutrition Security of the Poor: Emerging Perspectives and Policy Issues', Economic and Political Weekly, Volume XL, Issue 18, April 30, 2005, pp: 1817-1821.

be reached by the next reduction in diet or increase in energy output? Would it be through the recognition of acute exhaustion, or the onset of one of the many diseases to which malnourished people are vulnerable?[19] Could one then establish a model for being able to accurately predict an *ex ante* "appropriate" level for each individual or group? If this last step cannot be reached, the entire exercise is hardly worth bothering about. Without good answers to these concerns, an arbitrary – "well, let's say minus 'x' percent, shall we!" type of – lowering of the food/nutritional poverty line across the board can hardly be justified even on quite absent-minded ethical grounds.

Cheap calories

In its concern for economising on resources, the poverty-line estimation procedure usually assumes that the stipulated calorie requirements will be met through the purchase of the lowest priced calories available. Very often this demands that the poor find cheaper baskets than is possible in reality, or than they would themselves prefer to consume. The requirements of a balanced diet, as well as the choices and preferences of the poor are usually overlooked; the poor are not to possess, exercise and enjoy culinary tastes and dietary preferences! The result of this procedure is that in reality, those with incomes precisely on the poverty line (thus set) are usually found to be consuming far fewer calories than the level on which the poverty line is set in the first place.

It has been unequivocally established that there is a wide and persisting discrepancy between the percentage of the population below the official poverty line and the independently estimated percentage below the calorie norm incorporated in it.[20] The gaps are observed in both rural and urban populations over time. For the total population in 1983, the incidence of head count poverty was 44.5 per cent while 66.6 per cent of the population was below the calorie norm, a gap of 22.1 percentage points. For 1993-94, the corresponding figures were 36.0% and 66%, with an even wider and alarming gap of 30.0 percentage points. The data also suggest that while the head count incidence dropped by 8.5 percentage points, there was virtually no change

[19] There is a clear acknowledged influence of the inadequate nutritional levels on various infective processes; these include cholera, diarrhea, herpes, leprosy, respiratory diseases, measles, intestinal parasites, whooping cough, tuberculosis; there is a further lengthy list of diseases where the influence is variable: diphtheria, worms, staphylococcus and streptococcus infections, influenza, syphilis, typhus.

[20] The norms are 2400 kcal per day for the rural, and 2100 kcal for the urban population.

in the much higher level of nutritional deprivation in terms of not meeting the prescribed norm for a minimum total caloric intake.[21] More recently, Ranjan Ray and Geoffrey Lancaster, using household-specific estimated nutrient prices, have again confirmed that these discrepancies are very wide, and "show how far the official poverty lines have fallen out of line with their 'true' measure" (p. 46).[22] They also demonstrate that these differences have been really dramatic for the socially disadvantaged groups during the Reforms period; and further that access to the public distribution system for food does make a significant positive impact for the so-called backward classes.

Very early in the Indian literature, some emphasis was placed on local cultural factors and food habits in the determination of a minimum diet. But these did not hold sway in the methodology adopted. The other side finds voice in the views of Bardhan, himself a significant early contributor to the debate on poverty estimation. His justifications for restricting the food allocation for the poor are worth noting: "One should, however, be careful in not over emphasising these factors, since what we are after is primarily a biological minimum level of living at the cheapest way of attaining it at the going local prices. If some people forego the opportunity to buy cheaper sources of calories and protein just because those food items are not tasty enough, one should be cautious in interpreting their inclusion in the group of people below a bare minimum poverty line" (Bardhan, 1974: 121*fn*17).[23] In another discussion on optimising expenditures with respect to the minimum diet, he refers to "entirely arbitrary constraints (like that of allowing for some variety and palatability in the diet" (ibid.:120). Thus optimisation here is defined in terms of finding the cheapest calories. Poverty itself is used to legitimise this premise: "in a situation of extreme poverty, as in India, one is, of course, less preoccupied with the cultural, sociological and political factors in defining a minimum standard, and the discussion usually is confined to defining a purely biological minimum" (ibid.: 119). Well, "one" is always free to define norms for others in any old way. But perhaps Bardhan could allow more generously for the possibility that not every "one" might wish to confine

[21] See Dev, S. Mahendra in Dev, S. Mahendra, P. Anthony, V. Gayathri & R.P. Mamgain (eds.) *Social and Economic Security in India*, Institute for Human Development, Delhi, 2001.
[22] *Economic and Political Weekly, Jan.1 2005.*
[23] Bardhan, P.K. "On the Incidence of Poverty in Rural India in the Sixties", in T.N. Srinivasan and P.K.Bardhan (eds.) *Poverty and Income Distribution in India*, Indian Statistical Institute, Calcutta.

oneself to his implicit defence of such a purely biological minimum when specifying dietary norms for fellow human beings.[24, 25]

There are several ethical issues involved here.

First: should the poor be prescribed the cheapest, or a balanced nutritious diet? On the whole, the answer usually found to be given to this question is positive, with the proviso that it would need to be the cheapest possible balanced nutritious diet.[26] One wonders if this diet would include the five portions of vegetables and fruits that are widely recommended for good health.

Second, could items such as alcohol – especially now that red wine has been given almost magical medical qualities – be included in their basket? The answer here is almost universally no, and also for other "vices" such as tobacco use. These forms of consumption might well be useless and damaging and often addictive. Nonetheless, they are a part of the intake of the "representative" poor person as much, if not more, than that of any other member of the population. Indeed, drugs use and abuse is also very much an element of the system of survival of sections of the poor, and opium, or alcohol, is often given to little children to keep them out of the way for poor working parents – this being a practice as common in the industrial working class and mining communities of Britain in the industrial revolution as amongst the female stone workers in the quarries that produce the pink stone that is so admired in the architecture of Rajasthan.[27]

Third: are the poor allowed to have discretionary foods? For instance, are their children allowed to have junk fast food occasionally – not often enough to get obese, but occasionally at least to know how the other half thrives, and to harbour the illusion that they belong to the same universe as other children? And are the poor

[24] These words of Pranab Bardhan are from three decades ago; it is not implied that he espouses such a position at present; or even that he was not a staunch intellectual fighter against poverty even then. This demonstrates all the more the need to tease out the latent value judgments embedded in seemingly value-neutral methodology.

[25] The first systematic discussion of this issue is in Rowntree's classic study of urban poverty in York in 1901, where a distinction is made between primary and secondary poverty; the former applies to those who cannot escape above the poverty line no matter how well they plan their expenditure; the latter refers to those whose poverty could have been avoided if they had spent their income more carefully, i.e., in accordance with the postulated food basket.

[26] One wonders if cheap folic acid and vitamin tablets could replace the need for fresh vegetables in any balanced diet. Perhaps some savvy entrepreneur of the new age might already be working on cost-effective poverty pill packs for the poor.

[27] See on this: Wazir, Rekha "Some Reflections on Child Labour in Jodhpur District", *Indian Journal of Gender Studies*, Vol.9, No.1, Jan.-June 2002. Note also the prescription of *ganja* in specific cases in the diet cited by Dadabhai Naoroji, referred to earlier.

permitted to have palates and preferences? A sweet tooth perhaps? Would life not be a misery for a Bengali or a Punjabi deprived of sweets?

Fourth: are any food allocations factored in for feasts and rituals, or for social hospitality?

Do the poor have the right to claim, or do they have the permission from the poverty planner, to be able to indulge in any of these "luxuries"? In general, apart from the issue of low cost balanced nutritional diets, the rest of these "indulgences" are ruled out of bounds. But that does not mean that the poor, even with incomes below the poverty line, will never have alcohol, or smoke a cigarette, or have sweets, or street food, or candies for children, or ritual feasts! The result visible in the data will then be that such households, even though they were supposed to be able to procure the minimum stipulated calories, will be consuming fewer calories, on account of such indiscretions on expensive discretionary foods.[28]

These minimalist approaches assuming low biological norms and relying speculatively on the possibility of bodily adaptation to low caloric intakes, gloss over a wide range of ethical issues in the name of resource scarcity - which itself is a heavily value-laden term in societies displaying vulgar, and rising, levels of wealth and income inequality. Those that recommend such approaches first need to answer a simple question: are the poor from Mars and the rich from Venus?

2.2 Not by bread alone: non-food basic needs

How are the non-food basic necessities to be specified and aggregated in monetary terms? This task is no less difficult than defining the food component of the income poverty line. Three routes could be taken. The first method, logically, would be to try to list and specify each particular non-food item, and then to quantify and value each of them at market prices. Many similar conundrums would emerge in this process as came up in the specification of food needs, i.e., issues of free choice, preferences etc. But the procedure is virtually impossible to operationalise for any large and diverse population group. The number of factors and variables which influence these needs is absolutely enormous, and beyond a stage the exercise could become patently ridiculous. Imagine attempting to specify the needs of a family for linen and

[28] This is of course, in addition to the question of whether the stipulated norm was adequate in the first place, as discussed earlier.

clothing.[29] The situation could also be complicated if some public goods were indeed – or could be assumed to be – provided by the state.[30]

The second method side-steps all such difficulties by jumping to the other extreme. Non-food needs are arbitrarily set as some percentage, say 50%, of the food needs, on the general assumption that the poor "usually" spend about two-thirds of their income on food. This was used in the early ILO discussions on basic-needs lines. This is tantamount to avoiding the problem, not solving it.

The third method is essentially a methodological refinement of the second, and is the one that is usually utilised in specifying the income poverty line. This approach basically extends the Bardhan logic to apply also to non-food basic needs. It would run thus: by making "good" and "wise" selections, any household which receives a poverty-line income should be able to meet its basic needs for food and non-food items. If, then, it ignores the advice given in the how-to-reduce-your-poverty instruction manual (presumably available to each poor family through logging on to the relevant website at the computer terminal of the local knowledge centre), and self-indulgently chooses to spend on sweets instead of a toothbrush, and as a result children's teeth fall out, that is a problem of their own making. Such a household should then not be deemed deprived in terms of health, since it had the chance to protect its children's teeth, but freely chose not to do so. Everyone, including the

[29] "You may feel poor, look poor and think poor, but how do you know whether you actually are officially treading the breadline? The answer has emerged in Russia, where 40 million people are beneath it: you look at your towels. If you and your family have owned them since the disappearance of Lord Lucan in 1975, or before, then you may well be members of this unhappy category. Russia's parliamentarians have been drawing up a "minimum basket" of goods upon which the poor can survive. According to *Kommersant* newspaper, Russia's largely male parliamentarians have concluded that a woman can, if she must, manage with only one dress and one skirt every five years. She needs six pairs of tights and five pairs of knickers every two years, and (how did they work this one out?) two bras every three years. The list of bed linen is depressingly spartan: the minimum amount for a family is three blankets for 20 years, three towels for 23 years, and 10 sheets for 18 years. A kettle should be expected to last 8 years and a fridge for 30. Although Russia's male politicians have a great appetite for double-breasted suits, they are rather less than generous in saying what their impoverished countrymen may wear. A pair of trousers should cover a penniless Russian for four years and one T-shirt should be enough for a year. He needs a new sweater every five years. But some Russians may actually regard this threadbare wardrobe a luxury. There were reports from the countryside yesterday that pensioners, unpaid for months, were given their pensions in the form of straw, manure and bricks of peat." [*The Independent, 20 November 1998; report by Phil Reeves, Moscow correspondent.*] One does not know whether to laugh or to cry!

[30] Of course, economists can solve difficult problems with convenient assumptions: in 1962, a pioneering study group of the Indian Planning Commission set a monthly per capita consumption level of Rs 20 in 1960-61 prices as the bare minimum level-of-living threshold. This excluded expenditure on health and education, since it assumed that such needs "are expected to be provided by the State according to the Constitution and in the light of its other commitments" Bardhan 1974:120.

poor, is free to make bad choices, and to take the consequences of their decisions. The ramifications and possible objections to such an assertion have been taken up earlier in the context of the composition of the prescribed, as against the actual, food expenditures and intakes, and these apply with equal force here as well.

However, there is one additional, and quite fundamental, problem here that arises from the fact that, usually, *different* procedures are used to estimate the food and non-food components of the poverty line basket. While dietary requirements are calculated on a "scientific" basis according to bodily needs, the non-food component of the poverty threshold is not calculated on a *needs* basis. Instead, the procedure essentially identifies households whose expenditure on food exactly matches the cost of the food component in the poverty-line basket, and then checks how much such households *actually* spend on non-food items. Thus, the food component is needs based whereas the non-food component reflects the poverty of the poor with no guarantee that all basic non-food needs are in fact, or in principle could be, satisfactorily met. This is a very serious shortcoming, and could have the effect of suppressing the visibility of such crucial basic needs as health, education, housing, transport and communications, fuel, information, social and political participation. What such benchmark poor households actually spend on non-food items is assumed to substantively meet the non-food basic needs; but there is no verification to confirm this in any manner – it remains an assumption, and one for which there are overwhelming prima facie grounds for rejection. Thus, after spending on food basic needs, poor households might not be left with enough to meet the real basic needs of education and health. Children might not be going to school, or not well provided for in terms of educational accessories, and many health needs might be postponed or overlooked, thereby absorbing these deficits in the form of vulnerability to disease, or illiteracy.

In fact, in many cases, the methods for imputing non-food needs into the poverty line are even more restrictive. In many studies, the non-food component is taken to be the non-food expenditure of households whose *total* expenditure is equal to that required to be on the *food* poverty line. This procedure is remarkable, in that it guarantees that such households cannot under any circumstances meet both food and non-food basic needs simultaneously. Why then should it be adopted at all? The underlying motivation seems to come from the obsessive zeal to make absolutely certain that no non-necessity enters the poverty-line basket. Explaining this

methodology, a World Bank sourcebook notes: "the non-food expenditures of the households in this … case must be necessities, since the households are giving up food expenditures considered necessary to buy non-food items".[31] A poverty-line postulated by such a methodology cannot by definition be a basic-needs line.

It might be instructive to briefly review the paradoxical situation in contemporary rural China, where access to health and education has shrunk even as official statistics boast of sharply declining income-poverty. With the reforms, the cost of education and health services in many rural areas has become prohibitive for a significant section of the population. Indeed, the high costs of health have in themselves become a prime cause of the slide into poverty of many poor households. One field investigation in Gansu, a poor province, found that for a family with an income exactly on the national poverty line, and with two children in senior secondary school, the cost of education could vary between 35% and 69% of the income.[32] Other survey data available tend to suggest similar burdens. There is a particularly sharp increase in schooling costs from junior to senior high school, and this explains the massive observed drop in enrolment rates recorded at this stage in the field area. Not surprisingly, most of the senior school students are not from villages, but from the township and county areas, and from the better-off households. Poor and rural households are effectively excluded, and can realistically only access poor educational trajectories for their children. These children who drop out from school enter the work stream as child labour, and thus take their first steps to joining the ranks of the underclass in China's shining future.

From the point of view of our criticism of the methodology of estimating the poverty line, it should be noted that these cost increases have not really been factored into the poverty lines that are used in China at present, since many of these services were earlier available at very low cost in the form of social provisioning. On the basis of the official national poverty line, China had a head-count poverty rate of just 3% a couple of years ago; the corresponding rate using the $1/day specification of the World Bank was around 11%. Though there are no hard data to go on, it would not

[31] See Klugman, J. (ed.) *A Sourcebook of Poverty Reduction Strategies, Volume I: Core Techniques and Cross Cutting Issues*, The World Bank: Washington D.C.; Technical Note A.2; pp. 409-410.
[32] Saith, Ashwani "Educational Exclusion and the Reproduction of Poverty in Rural China: Findings of a Field Investigation in Gansu", 2002; unpublished seminar paper, Institute of Social Studies, The Hague.

surprise close observers if the actual rate of headcount poverty – estimated on the basis of a poverty line which took full account of the privatisation and cost-inflation in education – was not very greatly higher in significant parts of rural China. To this needs to be added the analogous problems encountered by large sections of rural China with regard to the sharply escalating costs of health services. Taken jointly, just the rising costs of health and education suggest that human poverty could well have recorded a significant increase in the past 10-15 years, the period over which these services have been required to become increasingly self-financing. In contrast, over this period, income poverty measured in terms of the official poverty line declined significantly. In this context, it is particularly pertinent to note that at the present time, the ongoing process of the privatisation of education and of a switch to user costs as the key source of financing the sector is only mid-way. As such, further increases in the cost of schooling are likely, and the constraints on the rural and poor households are likely to tighten correspondingly. Confirmatory indications are provided by a recent survey which found that "36% of patients in cities and 39% in the countryside did not go to see the doctor because they were unable to afford medical treatment".[33]

The standard choice of methodology thus translates also into a suppression of certain social and economic realities. Statistics, like economics, are concentrated politics.

3 CHRONIC INCOME POVERTY OR SOCIO-ECONOMIC VULNERABILITY?

A more serious concern is whether the notion of poverty as conceptualised in the poverty-line discourse is intrinsically meaningful when assessing the extent, nature and forms of deprivation experienced in society. Is it overly reductionist in what Amartya Sen has called commodity space, and thereby exclusionary of a wide range of deficits which are held to be significant by those that experience them on a regular basis? This concern is intensified by the recent drive to narrow the focus of poverty discourse and policy on the category of the "chronically" poor, a sub-category of the poor that are held to experience poverty, in the sense of the poverty-line approach, over several years continuously.

[33] Reported by BBC News: http://news.bbc.co.uk/go/pr/fr/-/1/hi/world/asia-pacific/4296898.stm, published 30 September 2005.

Insecurities, or forms of deficits which imply serious deprivation and loss of well-being without necessarily and immediately pushing a person or household into income poverty, could take myriad forms, and apply to the individual either as an economic agent, or as a dependent, or as a citizen. Examples could be wide-ranging and the list could be expanded almost at will: physical disability or mental illness of a family member; the lack of old-age care; hazardous work conditions; overwork and low-paid jobs; vulnerability to violence in personal space or experienced on the basis of group-identity within the "community"; child labour accompanied by educational exclusion; the loss or insecurity of employment within a household which is above the poverty-line on the basis of average income per capita; separated homes on account of the migratory nature of the work of some of the members; poor public environmental facilities; having decreased access to public utilities such as water, electricity; the extended work day on account of the increasing time taken to travel to and from work sites; the need to spend more time on job searches; the greater perception of exclusion as glaring inequality stares daily at you from every television image; the erosion of the sense and the reality of community cohesiveness in one's locality of residence; ubiquitous petty and grand corruption and the *de facto* saleability of government in small doses of bribery; the privatisation of public goods whether health, education, water, the air, or the law; a weak or eroding household asset base; atrophying kinship or other informal networks for social protection or emergency help.[34]

The relevance of such wider forms of insecurity has not been lost on the new political classes. The number games of poverty have always had an inescapable political dimension: the statistics have been regularly massaged in their production and their interpretation by politicians and their mindfully loyal civil servants. But there is a danger that a litanous repetition of statistics as propaganda can have divergent effects on those that serve it and on those that receive it. The former can easily begin to believe in what they repeat, and the latter begin to realise, with each additional repetition, the truth of the adage: "lies, damn lies, and statistics". This is a lesson that the outgoing Indian government might ruefully have learnt after its

[34] It is pertinent here also to point to the significant intellectual intervention that has been made by the cumulative work of the ILO's research programme on socio-economic security carried out by Guy Standing, Azfar Khan, Richard Anker, Sukti Dasgupta and Jose Figueroa, amongst others. *Cf*. *Economic Security for a Better World*, Prorgramme on Socio-economic Security, ILO, Geneva, September 2004.

disastrous campaign based on the ostensibly subliminal propaganda message, “India Shining!”; what was designed to infuse a universal feel-good glow merely emphasised to the vast majority that they were missing out on the goodies that the elite were increasingly enjoying. The political economy of Indian electoral democracy might thus have implicitly, even if accidentally, have created a recognition for this vast constituency of society that has a daily brush with some of these forms of deficits and socio-economic vulnerabilities. After all, if the vast majority was indeed doing as well as was being contended, why should there have been such a wide rejection? Apart from the other factors at work, could it also be that while a new but nationally narrow elite was flying, and while the numbers below a miserly and poorly conceptualised poverty line were dropping, the larger part of the rest of the population was increasingly being exposed to new forms of risks, insecurities and deficits in well-being? Of course, a segment of this mass might have been responding to the negative direction of change while enjoying absolute levels which placed them realistically clear of even a wide notion of poverty. But it is also likely that a very significant section of the population deemed to be above the official poverty line encountered losses and threats that could legitimately be regarded as significantly impoverishing. The notion of human, socio-economic and citizenship insecurity referred to is synthetic in nature. That it does not lend itself to ready definition and measurement on a cardinal scale does not mean that it is any the less meaningful in its content or its import.

The poor are especially vulnerable to vicissitudes in their livelihoods, and this is reflected in fluctuations in their annual levels of income. Thus, while the poverty line itself is held constant, and even if the statistical incidence of poverty remains the same over two periods, the composition of the poor could be quite different, with some of the “old” poor climbing above the poverty line even as other “new” poor slip below it. For the sake of illustration, let us say that the incidence of head-count poverty was estimated to be 30 per cent in each of three successive years. These annual estimates, however, cannot indicate what percentage of the population experienced poverty, say, in any one, or two or each of the three previous years. Was poverty a permanent condition for all 30 per cent, with the same households, and no other, experiencing poverty? Or was it also a transitory or a relatively volatile phenomenon that was

experienced in one or more years by, say 60 per cent of the population?[35] This is a crucial question that remains unanswered by such annual data. Yet it is of vital intrinsic significance and of great policy relevance. Similarly, the annual average for consumption hides the possibility of extended periods of hunger that cannot be compensated by the possibility of consuming above the norm in the plentiful season.

Sound answers call for careful and systematic panel data monitored over several years. Such panels are rare, and hence such empirical evidence as is available is scattered and sketchy. But some synthetic, indicative conclusions are nevertheless possible. The Report of the Chronic Poverty Research Centre for 2004-05 uses a definition of chronic poverty as "still being poor after 5 years". The data are based on a two-point comparison, and discount for any mobility out from, and (back) into poverty in the interim years; as such, it is possible that it might well overstate the dimensions of chronic poverty considerably. For South Asia, the Report estimates that while 536 million persons were below the $1/day poverty line for its reference year, those in chronic poverty were between 134 and 188 million, i.e., between one-third to one-fourth the annual rate; for East Asia, the respective ratios were between one-fourth and one-sixth; for Africa, with its lower level of income, there ratios were 0.3 to 0.4.[36] Baulch & Hoddinott report figures based on panel findings for a small group of countries, giving mutually exclusive percentages of households that are "always poor" (AP), "sometimes poor" (SP) and those that were "never poor" (NP).[37] For India for the late 1970s and early 1980s, for every household that was "always poor", there were another 3 households that were "sometimes poor"; only 12.4% were reported as being "never poor". For Zimbabwe, the ratio of AP to SP in the first half of the 1990s was 1:6; for China in the second half of the 1980s, it was 1:8. It should be clear then that by focussing on chronic poverty, variously defined, the size of the

[35] For instance, a two point comparison of the "same" households in rural India, for 1970-71 and 1981-82, revealed that about a quarter of the households were poor in both years, while 22.8% had escaped poverty and 13.3% had descended into it, thereby implying that while about 25% were poor in both years, about 60% of the households had experienced poverty in one or other year. (*Chronic Poverty Research Report*, Table 11.1, p. 94.) Clearly, if all annual entries into and exits from poverty had been recorded in the panel, the percentage of households that had never experienced poverty in the past decade might have represented a slender minority.

[36] *Chronic Poverty Research Report*, Chronic Poverty Research Centre, Manchester, Table 1.1; p. 9.] ;

[37] The data are reported in Holzman, Robert, and Steen Jorgensen, "Social Risk Management: A New Conceptual Framework for Social Protection and Beyond", in Agarwala, Ramgopal, Nagesh Kumar & Michelle Riboud (eds.) *Reforms, Labour Markets and Social Security in India*, Oxford University Press, Delhi, 2004; Table 2.1, p. 33.

target population forms a minor fraction of the part of the population that has not managed to protect itself from a frequent brush with poverty.

The exclusionary tendency of chronic poverty is actually stronger than these data suggest; the reason for this is that the comparison is with the part of the population that is deemed to be poor according to the $1/day line, or a line based on nationally specified poverty lines. It has been argued above that these lines are already very restrictive in their definition.

So what could be the justification for shifting or narrowing the focus of analysts, activists and policy makers to the notion of chronic poverty? There could be two answers. First, that these are the households that face the most acute forms of poverty, i.e., they are the poorest of the poor, and as such qualify for this preferential focus and treatment. While not denying the inhuman nature of the destitution experienced by such regularly poor households, it should be borne in mind that not all of them might fall into the category labelled the poorest of the poor in any year. There are few studies on this, but Raghav Gaiha[38] was early in signalling the possibility that the permanently poor might well not be the poorest. He reported, on the basis of panel data that of those households that were poor in each of a string of three years, only a fraction belonged to the category of the poorest. Another worry here is that a single-axis scale seems to be used in defining the depth of poverty, thereby attracting all the objections that apply to the reductionism of the notion of income-poverty.

Perhaps the second reason might have more purchase. It could be that the notion provides an ostensibly scientific basis for narrowing the focus of the targeting of external assistance for poverty reduction. Adopting such a criterion for identifying the target group could have the advantage of ensuring that leakage to the non-poor are minimised. This could seem attractive to external donors. Yet, it should be noted that in any particular country, the data requirements for identifying the chronically poor with any degree of reliability are enormous and unlikely to be met; as such, attractive as the notion might be in theory, it is not really implementable except in very limited contexts. Identifying the chronically poor in any population on the basis of a one-point investigation using memory recall techniques would be more than a methodological nightmare; it would be a folly.

[38] Gaiha, Raghav "Are the Chronically Poor also the Poorest in Rural India", *Development and Change*, Vol.20, No.2, April 1989.

4 OTHER BLINKERS AND BLIND SPOTS

The focus in this paper has been on some fundamental and fatal weaknesses of the income poverty line approach. Applying the methodology involves making assumptions and choices over a very wide range of issues, and many of these are extensively analysed and debated in the literature, e.g., the choice of adult equivalent scales, the use of price indices, the choice between income and expenditure including conventions for estimating these, etc. In the discussion here, the spotlight has been on a short list of methodological devices and choices which immediately undermine the meaningfulness of the approach. Beyond this, there are several other "external" critiques of the approach that need also to be registered. Six such sets of criticisms are briefly introduced below.

4.1 Public provisioning

Logically, the expenditure profile should include the imputed cash value of goods and services received in kind as gifts or transfers; "expenditure" records the value of all consumption, not just on those on which cash outlays are made. The reality typically limits itself to private expenditure. The level and types of public provision of goods and services are usually excluded. This is a significant gap when it comes to health and education services, particularly in developing economies, where the role of public provision is usually substantial. In the absence of such information, one can only speculate over actual outcomes with respect to these key basic needs. Since access to such public provision is often heavily unequal across locations, and within communities, this gap constitutes a significant weakness, especially when it comes to cross-sectional or inter-temporal comparative analysis. In many situations, even households which have the financial capacity might find it impossible to obtain adequate education and health services simply because these are not available locally; in contrast, these facilities might well be available in the open market, but many households might not have the income to afford them on a regular or satisfactory basis. The poverty line approach implicitly assumes that money can buy health, education and other services at any time in any place.

Relatedly, inter-temporal problems arise when public provisioning systems shift from a model of subisidised open access to one where access is on the basis of much higher user costs. As a general rule, poverty line estimates have not taken this crucial change on board. The reason for this lapse, of course, is that such publicly provided

non-food goods and services are not separately treated in the first place, as discussed earlier.

4.2 Household assets base

The economic strength of a household, family or individual depends not just on the income it has, but also on its asset base. If there was a uniform and stable relationship between asset ownership and income (i.e., like a fixed capital:output ratio), additional information on assets could be redundant. Even here, the assets would imply a store of value that could be converted into income through encashment. But levels of asset ownership vary, and many unproductive assets also are held as stores of value. The level and pattern of assets also determine the staying power of the household unit in the face of fluctuations in incomes. On the other hand, many poor households are deeply in debt, and the profound implications of this fact are ignored by focusing only on the level of income. In reality, poverty lines are typically drawn in terms of expenditure not income levels and, as such, incorporate another weakness: they are silent on how this expenditure was financed; i.e., were there positive or negative savings?

Here, it is also necessary to consider the demographic structure and profile of the household, as well as the quality of its human resources, or alternatively put, their levels of capabilities and functionings. For instance, I discovered that the perceptions of north Indian villagers with regard to the overall strength or vulnerability of a household also depended on whether the family had several girls for whom dowry would have to be accumulated, or sons who would bring in both additional labour and dowries. Another crucial factor not picked up in the methodology is the prevalence of disease or disability in the household. While adult equivalence scales adjust for the demographic structure of the household, and while further adjustments can be made for the additional needs of lactating mothers and pregnant women, the prevalence of illness, with potentially debilitating impact of the economic well-being of the household is usually excluded. Paradoxically, a heavy expenditure on health problems, financed by selling off some assets or getting into debt, will perversely show a higher per adult equivalent expenditure, and could lift the poor household above the poverty line. Health problems are increasingly coming to be recognised as one of the prime causes of the slide into poverty.

4.3 Intra-household disparities

The unit of analysis adopted for the estimation procedure is the household. This raises a host of estimation problems concerning the economies of scale in consumption, the choice of appropriate adult equivalence scales etc. While these issues can be carefully addressed, the use of the household as the basic unit ignores the crucial question of intra-household disparities in access, consumption and other entitlements. Thus, the welfare of women, children and the elderly might not be adequately reflected in the average level for the household. This is a potentially serious gap. For instance, gender inequality in consumption is often reflected in malnourished pregnant women, resulting in low birth weight children, and these children are known to have inferior life chances. Similarly, gender inequality in education could also affect the life chances of the children of under-educated women, thus leading to the reproduction of deprivation.

4.4 Marginalisation and exclusion

The poverty-line approach treats each household independently and scales it on the basis of its average per capita expenditure level. In this approach, all relational dimensions go missing. The fact that poor households suffer from high levels of spatial and identity-based social exclusion and marginalisation is omitted. There is no reference to the issues of inequality and to power relations in the community within which the poor live. The approach is one-dimensional and is blind on socio-political dynamic that underlies the persistence and the reproduction of poverty. Thus, the weakness and continuous erosion of the claims of the poor with regard to community or social resources, or in the domain of access to government services is rendered invisible. Conversely, differences in the access of households to lineage, or social networks would also play a significant role in their poverty status, especially their fallback positions and their residual exposure to vulnerability.

4.5 Self-perception of the poor

It is widely acknowledged in the professing and practicing arms of the development world that the subjects themselves usually have a rather different perspective on the sources, forms, nature, intensities, of their various deprivations and development deficits than the analyst armed with a particular indicator, especially an absolute income or food poverty line. These insights are left silent and invisible in the

mechanical poverty line approach, but are crucial in the context of designing development interventions. The methodology of practising such self-perception based approaches to poverty identification and analysis is not without its own problems but, these notwithstanding, the relevance of such subjective information cannot be entirely overlooked.

4.6 Inequality

It is necessary to register a lament, if not serious dissent, at the disappearance of inequality, not in the world where it seems to be flourishing, but in the discussions on poverty, where it has been pushed into the background and rendered invisible. Absolute poverty cannot really be meaningfully comprehended without acknowledging inequality. Given the dramatic rise of inequality in recent times, this suppression is all the more a concern. And since inequality and resource availability are closely related, the legitimising of the absolute poverty-line as a targeting instrument also distorts discussions over the existence and extent of budgetary constraints. Thus, the approach to poverty reduction that ignores inequality actually hides, condones, legitimises and perpetuates it. It is ironical that the more widely used measures of poverty, e.g., the Foster-Greer-Thorbecke index, or the Sen Poverty Measure, are lauded for being sensitive to the degree of inequality amongst the poor, while ignoring the issue of inequality between the poor and the rich.

5 METHOD VERSUS MEANING

Is there any redemption for the poverty-line approach? Can it be rescued by referring to its good intentions? Or, by suggesting that even if it fails stringent scrutiny, it might nevertheless serve a more limited, and still worthy, objective? For instance, could it be argued, in partial defence of the income poverty-line approach, that it helps in what matters most, i.e., in identifying and thereby addressing the poorest first; and, therefore, the precise height of the poverty line is not really of serious consequence, since this could be periodically adjusted upwards if necessary.

However, such reasoning would be seriously misleading on several counts.

First, and most simply, if the objective is to reach the poorest in any given population where being “poor” is defined in the usual terms of private consumption expenditure per adult equivalent within each household, one does not need the poverty *line* at all – all that would be needed are the data on the distribution of this

expenditure variable across households; the level at which the poverty line is set would indeed be immaterial, but then, so would the poverty line itself! For reaching the poorest first, the poverty line is redundant; it becomes necessary when you wish to define a cut-off point where to stop.

Second, there is a more basic difficulty. Even within the framework of the money-metric approach, there are serious problems with using the distribution of consumption expenditure per adult equivalent per household as a measure of a household's capacity to meets its basic needs. Reflect on the following two examples. In the first case, assume two households have identical demographic profiles and identical expenditure levels; the difference is that the first household has a couple of seriously ill aged persons who receive no treatment, whereas in the second, there is no such problem of ill-health. Both households will show up in this methodology as being equally deprived. This is patently wrong. In the second case, take the situation where the first household sells off its land in order to deal with the serious illness of the aged elderly and thereby gets the cash to pay the heavy medical expenses. Paradoxically, this household will now move above the other and, should the illness and the medical expenses be high enough, will be seen to move above the poverty line – its status will be said to have improved above that of the other household. The fact that it had jeopardised its long-term viability by the sale of its land would go unnoticed. Of course, most destitute household do not have land to sell; so they might sell off their possessions, or enter into debt bondage, or as happens in very many cases, withdraw children from school and send them out into the labour market. Such child earnings would boost the family income and expenditure and, again perversely, show it to have reduced its poverty! So this challenged household would have two ill aged persons, and children in the labour market instead of in school, and still show up as having less poverty.[39] In short, the expenditure variable used cannot be used as a proxy for the fulfilment of the basic needs of a household, since the level of these needs varies across households in ways that are not captured simply by denominating such expenditure in terms of adult equivalence. Any poverty-line adopted makes the fundamental assumption that it applies similarly to all units in the entire population

[39] Of course, some economists might cite this positively as a rational strategy of expenditure-switching all within the framework of household utility maximisation; and some sociologists might well applaud the household, and also the decision-making capacity, resilience and agency of its child workers, for displaying such a dynamic example of household-level coping strategies.

group after adjustment for adult equivalence; as such it rests on the assumption of a common set of basic needs, the pattern of which does not vary across households in other ways. This assumption is invalid, and as such, the methodology is not able to help with identifying and "reaching the poorest first". In its own terms, it identifies some households as being the poorest and also ranks all households in terms of their poverty gaps with reference to the poverty line – but such rankings are incapable of capturing poverty, or its depth, in reality.

Second, an independent difficulty that arises here, as discussed earlier, is that the poorest in any one year might not be the poorest in other years, on account of the volatility of household incomes, and this tends to throw a spanner into the workings of the-poorest-first algorithm when it relies on this methodology of identification.

Third, assume for now, that we did have an acceptable methodology, whether using a modified money-metric or an alternative, participatory approach for identifying the poorest households in any population. Also accept without challenge the intrinsically superior ethical claims to assistance of households that are poorer than others. Does this automatically imply that addressing the problem of poverty should be based on a sequential chain of targeting which climbs upwards on the slope of the expenditure-distribution curve, household-by-household, starting from the floor set by the poorest household? There is a questionable assumption being made here that the ethically superior claim of a comparatively poorer household also automatically translates into a strategy of *sequential* intervention. But this is not the only or, arguably for many, even the best strategy. What if the variable household-level development deficits were best addressed *simultaneously* by a more holistic strategy of claiming or providing the necessary social provisioning on a universal basis as part of a rights-driven process?

Fourth, any justification of the poverty line as a concept has to be made on the argument that it can be used to insert an intrinsically meaningful cut-off point between those experiencing poverty and those who do not. For this to be done, it must provide a defensible substantive definition of poverty. It has been argued in this paper that the mainstream poverty-line approach singularly fails to do this for a wide array of weaknesses, most of which are inherent to the methodological approach.

Finally, surely there is something dubious about an approach which seems to treat poverty in this digitalised 0-1 manner, where a statistical test can either identify you as suffering, or to be free, from this phenomenon– rather like a medical condition.

Of course, despite its narrow focus, the income-poverty line approach does yield some pertinent information on its chosen scale, but it is essentially one-dimensional and overlooks the multi-faceted nature of human deprivation. This can easily lead to a superficial and misleading understanding of the nature and causes, as well as the cures of human poverty. The grave danger posed by the income-poverty line approach is that it inevitably leads to a misidentification of the poor, and subsequently to the adoption of targeting, monitoring and evaluation criteria which are equally narrow, thus carrying the many blind spots in the concept of deprivation into the operational phase of interventions.

The fundamental question that arises is whether there is sufficient "poverty" in the poverty-line approach, or whether there is so much noise on some channels and silence on others as to render this a dangerously misleading methodology for finding out about poverty and the poor. It has been argued here that such fears are justified. Yet, international agencies have agreed to the objective to halve the incidence of poverty by 2015, *using precisely such an imprecise measuring rod*. An obvious factor explaining the adoption of such narrow perspectives is that these tend to minimise the dimensions of the problem – something which could be convenient for the international agencies and national governments whose political motivations are strongly influenced by their perceptions of budgetary constraints and their need to project a benign public image. So what is the bottom line on the poverty line? It can only be that poverty lines lie about the lives of the poor. The emperor indeed has not much more than a fig leaf of acceptability.